

**MINUTES OF THE CITY OF COSTA MESA**  
**FINANCE AND PENSION ADVISORY COMMITTEE**  
**February 5, 2020**  
**4:00 PM**

**1. CALL TO ORDER**

The meeting was called to order by Chair Ralph Taboada at 4:07 PM in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

**2. ROLL CALL**

Members Present: Chair Ralph Taboada, Vice Chair Wendy Leece, Members, Al Melone (late arrival), Robert Juneman, Tom Pollitt, Tom Arnold, Matthew Parlow, Mayor Pro-Tem John Stephens, Mayor Katrina Foley

Members Absent: John Hinson, Anna Vrska

Staff Present: Finance Director Kelly Telford, Assistant Finance Director Jennifer King Executive Secretary Angie Madsen, Management Analyst Amber Haston, Public Services Director Raja Sethuraman

Staff Absent: None

**3. PUBLIC COMMENTS**

None.

**4. APPROVAL OF MINUTES OF THE January 8, 2020 FIPAC MEETING**

**MOTION/SECOND:** Robert Juneman / Wendy Leece

**MOTION:** Approve the minutes with noted correction of member comments

**Ayes:** Tom Pollitt, Ralph Taboada, Matthew Parlow, Tom Arnold

**Nays:** None

**Abstain:** None

**Absent:** John Hinson, Anna Vrska, Al Melone

**Motion Carried:** 7-0-0-3

**5. COMMITTEE MEMBER COMMENTS**

Member Wendy Leece thanked the staff for their work regarding the subcommittees and is looking forward to getting them started.

**6. COMMITTEE CHAIR COMMENTS**

Chair Taboada commented as follows:

115 Investment Trust was approved by City Council; The IT Strategic Plan was presented to City Council last week and is confident Council will approve; Felt that the CAN Ordinance could come up for FIPAC review again as the committee ran out of time to thoroughly discuss at last month's meeting; Met with Finance Director, Kelly Telford, to resolve some issues in reference to Legal Fees and appreciates Kelly's assistance; Next week's Study Session will be a Mid-Year review of the current budget, while today's meeting is a preview of that presentation; Encouraged members to attend the Study Session on February 11, 2020, or watch on television; Plans to present information at the next FIPAC meeting regarding Senator Moorlach's analysis of Unrestricted Net Position.

**7. SUBCOMMITTEE UPDATES**

Tax Rates and Budget Subcommittees met with Finance Director, Kelly Telford, this week and others are scheduled to meet next week.

Member Tom Arnold appreciated the kickoff meeting and is looking forward to getting started.

Member Bob Juneman identified three tax issues: TOT, Business License, and Sales Tax.

Chair Taboada commented on the Budget Subcommittee receiving a preview from Finance Director, Kelly Telford, as far as what to look at next year as well as Kelly's view on financing vehicles as a possible option. Suggested the CAN Ordinance could help close the gap in balancing the budget.

Member Bob Juneman commented that moving money from CAN to IT isn't creating new revenue and that 80% of expenses are in people and the rest is in M&O's.

Member Wendy Leece suggested looking at the rest of the year as it relates to deadlines for getting things put on the November ballot (referencing the Tax Rates Subcommittee).

Mayor Pro Tem John Stephens recommended that the subcommittees focus only on time-sensitive items at this time until the budget is over.

Finance Director Kelly Telford advised that the subcommittees have been prioritized to address time-sensitive items first.

**8. NEW BUSINESS**

- a. Midyear Review – Presentation by Finance Director, Kelly Telford

Summary: Finance Director, Kelly Telford, presented Midyear Review information to the committee as a more in depth review will be done at the Study Session to be held on February 11, 2020. Public Services Director, Raja Sethuraman provided CIP Status Updates to the committee.

**9. CITY STAFF/LIAISON COMMENTS**

Mayor Foley is pleased with the direction the budget is going and suggested there may be a better picture by the time of budget adoption due to grants.

Mayor Pro Tem John Stephens commented on Everett Dorey coming in under budget and proving to be a prudent decision in selecting the firm.

**APPROVAL OF CANCELLATION OF FEBRUARY 12, 2020 FIPAC MEETING**

**MOTION/SECOND:** Robert Juneman / Wendy Leece

**MOTION:** Approve to cancel the February 12, 2020 FIPAC Meeting

Ayes: Tom Pollitt, Al Melone, Ralph Taboada, Matthew Parlow, Tom Arnold

Nays: None

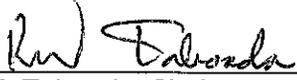
Abstain: None

Absent: John Hinson, Anna Vrska

Motion Carried: 7-0-0-2

10. **ADJOURNMENT**

The meeting was adjourned at 5:57 p.m. The next regularly scheduled meeting will be held on Wednesday, March 11, 2020 at 4:00 p.m.



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Ralph Taboada, Chair



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Kelly A. Telford, Finance Director